

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: March 2-3, 2005

Reference No.: 2.1c.(2)
Action Item

From: CINDY McKIM
Chief Financial Officer

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Division Chief
Transportation Programming

Ref: **TRAFFIC CONGESTION RELIEF (TCR) PROGRAM PROJECT APPLICATION
AMENDMENT APPROVALS
RESOLUTION TAA-05-02, AMENDING RESOLUTIONS TAA-02-06 and TAA-04-09**

ISSUE:

The California Department of Transportation (Department) requests approval of the attached Resolution for two Traffic Congestion Relief (TCR) project application amendments, including one amendment to de-program (\$7,000,000) in TCR funding in accordance with Traffic Congestion Relief Policy for Managing Cash Between TCR Projects (Cash Management Policy) established under Resolution G-03-14, and update project schedules and amend funding plans. A fact sheet describing each project is attached.

RECOMMENDATION:

The Department recommends approval.

BACKGROUND:

The bid for the construction of the high occupancy vehicle lanes for TCR Project #41.1 – Route 5; add HOV lanes on Golden State Freeway through San Fernando Valley, Route 170 (Hollywood Freeway) to Route 14 (Antelope Valley Freeway) in Los Angeles County came in at \$15,790,000 over the engineer's estimate. The Department determined that the bid showed no irregularities, and accurately reflected the cost to proceed to construction.

The Department also determined TCR Project #50 – Route 71; complete three miles of six-lane freeway through Pomona, from Route 10 to Route 60 in Los Angeles County, should be suspended due to lack of funds for capital phases.

On September 25, 2003, the Commission approved Resolution G-03-14, the Cash Management Policy. Amendments submitted under this policy and approved by the Commission allows the applicant agencies to transfer the unspent allocation capacity from any component of one TCR project to another TCR project demonstrating a greater demand on the allocation capacity in order to allow the project to proceed and thus providing a project deliverable.

The Department proposes to use the Cash Management Policy to utilize \$7,000,000 in excess TCR funds from TCR Project #50 -- and an additional \$8,790,000 provided by the Los Angeles County Metropolitan Transportation Authority (LACMTA) -- to award the construction contract to TCR Project #41.1, allowing the project to proceed according to the revised schedule. Specific changes and variances to schedule and cost are noted in the attached fact sheets.

The FY 2004-05 Budget Act includes the transfer of \$163,000,000 from the General Fund to the TCR Fund for those TCR projects with existing allocations. The previously approved and allocated TCR funds, to be redistributed by the attached Resolution, are included in the amount of this transfer. A concurrent allocation amendment is included under Reference No. 2.6e.

Attachments

TCR Program – Application Amendment Project #50

Los Angeles **Route 71; complete three miles of six-lane freeway through Pomona, from Route 10 to Route 60 in Los Angeles County.**

(\$ X 1,000)

Estimated Project Cost: \$182,299 **TCRP Funds Covered by Application:** **(\$7,000)**

Total TCRP Funds Available: \$30,000 *Phase(s) Covered by Application:* 2

Lead Agency: California Department of *TCRP Funds Previously Approved for #50:* \$11,800

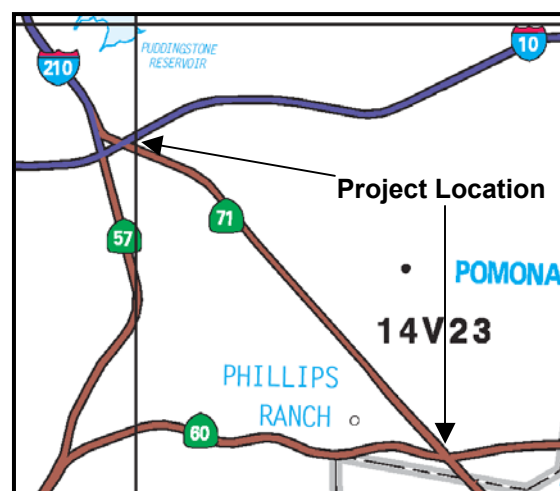
Transportation *Implementing Agency:* Same

TCRP Allocation Requested Concurrently with application: **(\$7,000)** *for Phase(s):* 2

TCRP Allocations to Date: **\$11,800** *for Phase(s):* 1,2

Advanced Approved: **\$0** *for Phase(s):* N/A

Project Summary: The project includes adding one mixed flow lane and one HOV lane in each direction on Route 71 between Interstate 10 and Route 60, converting existing 6-lane expressway to 8-lane freeway between Holt Avenue and Mission Boulevard, and converting existing 4-lane expressway to 6-lane freeway between Mission Boulevard and Route 60. This segment is the last remaining segment to be converted to freeway and to provide HOV lanes between Interstate 10 and Route 91.



Summary of Action: This amendment un-programs \$7,000,000 and changes the project schedule to reflect temporary suspension of the project (changes are shown in ~~strike through~~ and **bold**). There is also a concurrent request to de-allocate \$7,000,000 and transfer the allocation authority to Project #41.1.

Reason for Change: This project is being temporarily suspended due to lack of funds for phases 3 and 4, and the potential suspension of the TCR program. Therefore, unspent allocated funds are being moved to Project #41.1, which is ready now. The schedule has been changed to reflect the assumption that funds will be available in Fiscal Year 2006-07.

Cost and Schedule (\$ x 1,000)

Phase	Scope	Start	End	Cost
1	Prepare Project Report, Environmental Documents for State and FHWA, Public Hearings, etc.	11/00	6/02	\$2,457
2	Prepare Roadway Plans Sheets, Structure Plan Sheets, Right of Way Engineering, Utility Plans, Process Permits, etc.	6/02	12/07 12/06	\$11,892
3	Right of Way Appraisal, Acquisition and Certification.	2/06	12/07	\$26,582
4	Construction Inspection & Administration, Construction Support, etc.	2/08	2/11	\$141,368
Total:				\$182,299

Funding Plan (\$ x 1,000)

Source	Type		Phase 1	Phase 2	Phase 3	Phase 4	Total
TCRP	State	Committed	\$2,457	\$2,343 \$9,343			\$4,800 \$11,800
		Proposed		\$7,000	\$17,000	\$1,200	\$25,200
				\$0			\$18,200
STIP-RIP	State	Committed		\$1,592			\$1,592
		Proposed					
LACMTA	TBD	Committed					
		Proposed		\$957	\$9,582	\$140,168	\$150,707
	Totals:	Committed	\$2,457	\$3,935 \$10,935			\$6,392 \$13,392
		Proposed		\$7,957	\$26,582	\$141,368	\$175,907
				\$957			\$168,907
		Totals:	\$2,457	\$11,892	\$26,582	\$141,368	\$182,299

Prior TCRP Action:

- Original application was approved on September 28, 2000 (TA-00-01) for \$11,800,000 for Phases 1 and 2.
- The funding plan has been updated based on the 2002 STIP Adoption (G-02-04).
- Minor amendment was approved June 28, 2002 based on the April 2002 Progress Report.
- An amendment was approved September 15, 2004 (TAA-04-09) to transfer \$957,000 of TCR funds from Phase 2 to Phase 1 and update the project schedule.

Status of Conditions: No conditions set.

Discussion/Issues: The Commission has reviewed the Negative Declaration and approved the project for future consideration of funding on October 3, 2002, under Resolution E-02-48.

This project has been suspended temporarily due to budget constraints and until funding becomes better known for the right-of-way acquisition and construction. Prior to reinitiating this project, the Department will seek full funding of Phase 2. Funding in the amount of \$150,707,000 remains to be identified.

TCRP Program – Application Amendment Project #41.1

Los Angeles **Route 5; add HOV lanes on Golden State Freeway through San Fernando Valley, Route 170 (Hollywood Freeway) to Route 14 (Antelope Valley Freeway) in Los Angeles County.**

(\$ X 1,000)

<i>Estimated Project Cost:</i>	\$69,289	<i>TCRP Funds Covered by Application:</i>	\$0
	\$53,499		
<i>TCRP Funds – Sub-Project 41.1:</i>	\$40,175	<i>Phase(s) Covered by Application:</i>	All
<i>TCRP Funds for Project 41:</i>	\$50,000	<i>TCRP Funds Previously Approved for #41.1:</i>	\$40,175
<i>Lead Agency:</i>	California Department of Transportation	<i>Implementing Agency:</i>	Same

<i>TCRP Allocation Requested Concurrently with Application:</i>	\$7,000	<i>for Phase(s):</i>	2
<i>Advance Requested:</i>	\$0	<i>for Phase(s):</i>	N/A
<i>TCRP Allocations to Date:</i>	\$2,749	<i>for Phase(s):</i>	2,3

Project Summary: The overall project involves the construction of one High Occupancy Vehicle (HOV) lane in each direction in the median on Route 5, from Route 170 to Route 14. The project also involves constructing new soundwalls on each side of freeway, widening several under-crossings, ramp improvements, and reconstructing Route 5/170 Interchange to provide direct HOV connectors between Route 5 and Route 170. The overall project has been segmented into two sub-projects for implementation:

- **Sub-Project #41.1 (Segment 1):** Route 118 to Route 14 – HOV lanes with mitigating soundwalls.
- **Sub-Project #41.2 (Segment 2):** Route 170 to Route 118 – HOV lanes.

This sub-project will be segmented, and therefore phases may overlap.



Amendment Reasons/Actions: Bids for the HOV lane project were \$15,790,000 over the engineer's estimate. The bids received showed no irregularities. Within the past several months, the Department has noticed that the contractors' bids have been coming in substantially over the engineer's estimate due to industry wide material shortage of concrete and reinforcing steel and by increases in oil prices resulting in higher costs for asphalt concrete and fuel. Re-advertising the contract was considered, but would not guarantee lower bids. Re-advertising would simply delay the project and add more interest charges to the existing GARVEE bonds. Another option considered was to down-scope the project, however, this option would have significantly reduce the length of the HOV lanes, thus making the viability of the finished project questionable. Additionally, reducing the scope of the project would cause a delay due to the need to re-advertise the contract.

Utilizing \$7,000,000 in TCRP funds from Project #50 (using the Cash Management Policy and resulting funds from Project #50) and an additional \$8,790,000 provided by the Los Angeles County Metropolitan Transportation Authority (LACMTA), allows Project #41.1 to proceed according to the revised schedule shown. The funding plan has been updated and also reflects the transfer of allocated TCRP funds from Phase 3 (phase savings) to Phase 2 needed to fund increased costs due to additional design efforts associated with the soundwall portion of the project.

Cost and Schedule (\$ x 1,000)

<i>Phase</i>	<i>Scope</i>	<i>Start</i>	<i>End</i>	<i>Cost</i>
1	Project Report, Environmental Document	1/96	2/97	
2	PS&E	7/01	2/07	\$7,699
			6/04	\$6,649
3	Utility Relocation	7/01	1/07	\$50
			6/04	\$1,100
4	Construction	11/04	10/09	\$61,540
		12/02	6/06	\$45,750
Total:				\$69,289
				\$53,499

Funding Plan (\$ x 1,000) - HOV Lanes

<i>Source</i>	<i>Type</i>		<i>Phase 1</i>	<i>Phase 2</i>	<i>Phase 3</i>	<i>Phase 4</i>	<i>Total</i>
TCRP	State	Committed		\$2,699	\$50	\$7,000	\$9,749
		Proposed		\$1,649	\$1,100		\$2,749
STIP-RIP	State	Committed				\$16,140	\$16,140
		Proposed					
STIP-RIP	GARVEE	Committed				\$23,850	\$23,850
		Proposed					
Prop C	Measure	Committed		\$2,750		\$2,010	\$4,760
		Proposed					
RSTP	Federal	Committed		\$1,310		\$8,790	\$10,100
		Proposed					\$1,310
CMAQ	Federal	Committed		\$940		\$3,750	\$4,690
		Proposed					
	Totals:	Committed		\$7,699	\$50	\$61,540	\$69,289
		Proposed		\$6,649	\$1,100	\$45,750	\$53,499
		Totals:		\$7,699	\$50	\$61,540	\$69,289
				\$6,649	\$1,100	\$45,750	\$53,499

Additional Approved TCRP Funds Available (\$ x 1,000)

<i>Source</i>	<i>Type</i>		<i>Phase 1</i>	<i>Phase 2</i>	<i>Phase 3</i>	<i>Phase 4</i>	<i>Total</i>
TCRP	State	Committed				\$30,426	\$30,426
		Proposed				\$37,426	\$37,426

Prior TCRP Action:

- Original application was approved for Project #41 on June 6, 2001 (TA-01-09) for \$50,000,000 for Phases 2, 3, and 4.
- A major amendment was approved on June 13, 2002 (TAA-02-06) to split Project #41 into two sub-projects and to include mitigating soundwalls in the scope of the HOV project for Segment 1 (Sub-Project #41.1).
- The funding plan was updated based on STIP Amendment 02S-011, adopted July 18, 2002. This amendment programmed \$2,899,000 of STIP-RIP funds.
- The funding plan was updated based on STIP Amendment 02S-067, adopted June 26, 2003. This amendment programmed \$10,433,000 of STIP-RIP to replace suspended TCRP funds. In addition, the amendment identified \$20,117,000 of CMAQ funds to fully fund the project.
- The funding plan was updated based on STIP Amendment 02S-105, adopted December 11, 2003. This amendment approved this project for GARVEE funding for the HOV lane portion of the project.
- The funding plan was updated based on the 2004 STIP Adoption (G-04-07) on August 5, 2004.

Status of Conditions: Condition set forth in Resolution TAA-02-06 for approval of STIP Amendment 02S-011 has been met. The Commission on July 18 2002 adopted the STIP Amendment.

Discussion/Issues: Project is fully funded. Project is a Categorical Exclusion/Categorically Exempt under NEPA/CEQA. Notice of Exemption is on file. The Regional Transportation Plan documentation is on file. Soundwall construction is to begin after the completion of the HOV lanes.

A concurrent allocation amendment is included under Reference No. 2.6e. The allocation amendment involves the reallocation of TCRP funds from TCRP project #50 (per the TCRP Cash Management Policy, Resolution G-03-14). The final funding of \$8,790,000 from LACMTA is pending their board's approval. Their decision is expect to occur on February 28, 2005.

CALIFORNIA TRANSPORTATION COMMISSION
Approval of Traffic Congestion Relief Program
Project Application Amendment

RESOLUTION TAA-05-02
Amending Resolutions TAA-02-06 and TAA-04-09

- 1.1 WHEREAS the Traffic Congestion Relief Act of 2000 (herein after referred to as “statute”), which was established by Chapters 91 (AB 2928) and 656 (SB 1662) of the Statutes of 2000, establishes the Traffic Congestion Relief Program, providing \$5.39 billion for projects throughout the State of California to reduce traffic congestion, provide for safe and efficient movement of goods, and provide system connectivity; and
 - 1.2 WHEREAS in accordance with Government Code Section 14556.11 the California Transportation Commission (Commission) has adopted guidelines, in consultation with the Department of Transportation (Department) and regional agencies, to implement the Traffic Congestion Relief (TCR) Program; and
 - 1.3 WHEREAS the statute and guidelines require applicants to specify complete project applications, including scope, cost and schedule, financial plans and funding sources; and
 - 1.4 WHEREAS the Commission identified those factors leading to changes in project scope, cost, and scheduled and established guidelines for agencies to submit amendments to TCR project applications in Resolution G-00-23, with further clarifications in Resolution G-01-23; and
 - 1.5 WHEREAS Resolution G-03-14 allows applicants to transfer the unspent allocation capacity from any component of one TCR project to another TCR project; and
 - 1.6 WHEREAS the Department has reviewed the following application amendments for two TCR projects as submitted by applicant agencies and found all to be in compliance with the guidelines adopted by the Commission.
 - 2.1 NOW THEREFORE BE IT RESOLVED that the Commission does hereby approve the following two TCR project application amendments as submitted, with subsequent clarifications and revisions:
 - Project #50 – Route 71; complete three miles of six-lane freeway through Ponomia, from Route 10 to Route 60 in Los Angeles County. Amend application to deprogram (\$7,000,000) in TCR funding, update project schedule previously approved under Resolution TAA-04-09.
Applicant Agency: California Department of Transportation (Department)
Implementing Agency: Department
 - Project #41.1 – Route 5; add HOV lanes on Golden State Freeway through San Fernando Valley, Route 170 (Hollywood Freeway) to Route 14 (Antelope Valley Freeway) in Los Angeles County. Amend application to update project schedule and funding plan previously approved under Resolution TAA-02-06.
Applicant Agency: California Department of Transportation (Department)
Implementing Agency: Department;
- and

- 2.2 BE IT FURTHER RESOLVED that all conditions stipulated at time of application and/or application amendment approval are still in effect; and
- 2.3 BE IT FURTHER RESOLVED that all applicant agencies shall provide the Commission and the Department with a progress report on April 1st and October 1st of each year on actual expenditures and status of work, until the projects have been completed; and
- 2.4 BE IT FURTHER RESOLVED that this TCR project application approval by the Commission reserves the State funding for the projects as specified by the statute, and allows the applicant agencies to incur costs in accordance with the approved project application, statute and guidelines; and
- 2.5 BE IT FURTHER RESOLVED that Resolutions TAA-02-06 and TAA-04-09 are hereby amended.